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Proposed programme budget for the biennium 2012-2013

Administrative and financial implications arising from the report of the United Nations Joint Staff Pension Board

Report of the Secretary-General

Summary

The report of the United Nations Joint Staff Pension Board to the General Assembly (A/66/266) contains the overall administrative expenses of the United Nations Joint Staff Pension Fund for the biennium 2012-2013 that have financial implications for the budget of the United Nations. In accordance with rule 153 of the rules of procedure of the General Assembly, the present report identifies the financial implications for the regular budget should the Assembly adopt the recommendations submitted to it in the report of the Board.

The appropriation that would be required under the regular budget for the biennium 2012-2013, arising from the recommendations of the Board, reflects a reduction in the amount of $897,900 after recosting.

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I. Introduction

1. In the proposed programme budget for the biennium 2012-2013, provisions are made under section 1, Overall policymaking, direction and coordination (A/66/6 (Sect. 1)), for the participation of the United Nations in the costs of the secretariat of the United Nations Joint Staff Pension Fund.

2. In paragraph 1.32 of the proposed programme budget for the biennium 2012-2013,[1] it has been indicated that at the time of the preparation of the programme budget proposals, the Fund's budget for the biennium 2012-2013 had not yet been finalized and, when finalized, it would still be subject to review by the Pension Board and the General Assembly; and that implications for the regular budget, if any, of action to be taken by the Pension Board and the decision by the Assembly in connection with the budget proposals of the Fund for the biennium 2012-2013 would be the subject of a statement of programme budget implications that would be submitted to the Assembly during its consideration of the report of the Pension Board.

3. In paragraph 1.29 of the proposed programme budget for the biennium 2012-2013,[1] it is indicated that the estimated requirements of $13,768,800 ($14,276,100 at the 2012-2013 rates) relate to the share of the regular budget in the expenses of the central secretariat of the United Nations Joint Staff Pension Fund, excluding reimbursements anticipated from United Nations funds and programmes (the United Nations Development Programme (UNDP), the United Nations Population Fund (UNFPA) and the United Nations Children's Fund (UNICEF)).

II. Implications for the United Nations of the report of the United Nations Joint Staff Pension Board

4. The report of the United Nations Joint Staff Pension Board (A/66/266) was issued in response to the proposals by the Chief Executive Officer of the Fund/Secretary of the Board. Based on the report of the Board, the overall requirements amounting to $20,903,400 (at 2012-2013 rates) represent the United Nations share in the administrative and audit costs related to the Fund.

5. The reduced requirements arise mainly from decreases under general temporary assistance, computer-related maintenance and rental and renovation of premises.

6. In accordance with established procedures, this overall amount would be shared among the regular budget of the United Nations and the funds and programmes. As reflected in paragraph 1.29 of the proposed programme budget for the biennium 2012-2013,[1] the distribution would require that an estimated 63.8 per cent of that amount would be attributable to the regular budget, with the balance to be reimbursed by the funds and programmes. However, based on the latest data on the number of participants in the Fund, against which the percentage is derived, the above percentage would need to be revised to 64.0 per cent.

7. In applying the revised distribution rate of 64.0 per cent to the proposed overall requirements of $20,903,400, an amount of $13,378,200 (at 2012-2013

[1] A/66/6 (Sect. 1).

rates) would represent the revised regular budget share as compared to $14,276,100 (at 2012-2013 rates) already included under section 1 of the proposed programme budget. In this connection, reduced requirements in the amount of $897,900, reflecting the difference between the previously budgeted amount of the regular budget share and the revised requirements, would need to be reflected under section 1 of the proposed programme budget for the biennium 2012-2013.

III. Action required of the General Assembly

8. **Should the General Assembly approve the proposals and recommendations of the United Nations Joint Staff Pension Board, the overall requirements that would arise for the United Nations are estimated at $20,903,409 (at 2012-2013 rates). Of the total requirements for the biennium 2012-2013, the share of the regular budget would amount to $13,378,200 and the balance of $7,525,200 would be reimbursed to the United Nations by UNDP, UNFPA and UNICEF.**

9. **Accordingly, should the General Assembly endorse the proposals of the Board, the appropriation under section 1, Overall policymaking, direction and coordination, of the proposed programme budget for the biennium 2012-2013 would reflect a reduction in the amount of $897,900.**